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8 *Special Counsel to Debtors
and Debtors in Possession*

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UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA

SAN FRANCISCO DIVISION

11 **In re:**
12 **PG&E CORPORATION,**
13 -and-
14 **PACIFIC GAS & ELECTRIC COMPANY,**
15 Debtors.

16 Affects PG&E Corporation
17 Affects Pacific Gas and Electric Company
18 Affects both Debtors

19 ** All papers shall be filed in Lead Case No.
20 19-30088 (DM).*

21 Bankruptcy Case No. 19-30088 (DM)
22 Chapter 11
23 (Lead Case) (Jointly Administered)

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**SUMMARY SHEET TO FIRST INTERIM
FEE APPLICATION OF COBLENTZ
PATCH DUFFY & BASS LLP FOR
ALLOWANCE AND PAYMENT OF
COMPENSATION AND
REIMBURSEMENT OF EXPENSES
(JANUARY 29, 2019 THROUGH
SEPTEMBER 30, 2019)**

Date: TBD
Time: 10:00 a.m. (Pacific Time)
Place: United States Bankruptcy Court
 Courtroom 17, 16th Floor
 San Francisco, CA 94102
Judge: Hon. Dennis Montali

Objection Deadline: December 4, 2019 at
4:00 p.m. (Pacific Time)

GENERAL INFORMATION

2 Name of Applicant: Coblenz Patch Duffy & Bass LLP
3 Authorized to Provide Professional Services to: Special Counsel to Debtors and Debtors in Possession
4 Petition Date: January 29, 2019
5 Retention Date: July 11, 2019 *nunc pro tunc* to January 29, 2019
6 Prior Applications: None
7

SUMMARY OF FEES AND EXPENSES SOUGHT IN THIS APPLICATION

9 Amount of Compensation Sought as Actual, Reasonable, and Necessary: **\$1,025,814.52**

10 Amount of Expense Reimbursement Sought as Actual, Reasonable, and Necessary: **\$17,595.12**

11 Total Compensation and Expenses Requested for the Compensation Period: **\$1,043,409.64**

SUMMARY OF PRIOR MONTHLY FEE STATEMENTS

Date Filed	Period Covered	Requested Fees	Requested Expenses	Paid Fees	Paid Expenses	Holdback Fees Requested
08/23/19 [Dkt. No. 3679]	1/29/19 – 2/28/19	\$80,809.70	\$974.15	\$64,647.76	\$974.15	\$16,161.94
08/28/19 [Dkt. No. 3741]	3/1/19 – 3/31/19	\$124,443.40	\$1,180.37	\$99,554.72	\$1,180.37	\$24,888.68
08/28/19 [Dkt. No. 3742]	4/1/19 – 4/30/19	\$162,499.20	\$163.09	\$129,999.36	\$163.09	\$32,499.84
08/30/19 [Dkt. No. 3763]	5/1/19 – 5/31/19	\$178,126.20	\$7,208.81	\$142,500.96	\$6,953.62	\$35,625.24
08/30/19 [Dkt. No. 3765]	6/1/19 – 6/30/19	\$148,515.80	\$1,256.60	\$118,812.64	\$1,256.60	\$29,703.16
08/30/19 [Dkt. No. 3771]	7/1/19 – 7/31/19	\$93,200.68	\$0.00	\$74,560.54	\$0.00	\$18,640.14
09/30/19 [Dkt. No. 4038]	8/1/19 – 8/31/19	\$124,991.08	\$1,546.10	\$99,992.86	\$1,546.10	\$24,998.22
10/31/19 [Dkt. No. 4528]	9/1/19 – 9/30/19	\$113,228.46	\$5,266.00	\$0.00	\$0.00	\$22,645.69
		\$1,025,814.52	\$17,595.12	\$730,068.85	\$12,329.12	\$205,162.91

24 Summary of Any Objections to Monthly Fee Statements: **None**

25 Compensation and Expenses Sought in this Interim Application Not Yet Paid: **\$205,162.91¹**

27 ¹ Assumes Applicant receives payment on its Eighth Monthly Fee Statement (for September 2019)
28 [Dkt. No. 4528] on, or prior to, the hearing on this Application.

**COMPENSATION BY PROFESSIONAL
JANUARY 29, 2019 THROUGH SEPTEMBER 30, 2019**

The Coblenz attorneys and paraprofessionals who rendered legal services in these Chapter 11 Cases during the Interim Fee Period are:

Name of Professional	Position	Primary Practice Group ²	Year Admitted	Reduced Hourly Rate for Debtors	Total Hours Billed	Total Compensation
Barbara Milanovich	Partner	RE	1980	\$648.00	471.40	\$305,467.20
Doug Sands	Partner	RE	1987	\$648.00	550.40	\$353,443.82
Ficks, Gregg	Partner	BCR/LIT	1990	\$643.00	151.80	\$94,571.40
David C. Beach	Counsel	LIT	2003	\$540.00	0.40	\$216.00
Robert B. Hodil	Counsel	RE	2003	\$520.00	0.70	\$364.00
Sean Coyle	Partner	LIT	2004	\$500.00	305.30	\$152,650.00
Misti M. Schmidt	Counsel	RE	2007	\$450.00	2.10	\$945.00
Mark Hejinian	Associate	LIT	2011	\$400.00	40.60	\$16,240.00
James F. McKee	Associate	LIT	2014 (TX); 2019 (CA)	\$400.00	106.10	\$42,440.00
Joy L. Spezeski	Associate	RE	2013 (IL); 2016 (CA)	\$369.00	0.10	\$36.90
Daniel P. Barsky	Associate	RE	2017	\$334.00	14.60	\$4,876.40
Leah Collins	Associate	RE	2016	\$334.00	25.10	\$8,383.40
Michael R. Wilson	Paralegal	RE	N/A	\$302.00	61.60	\$18,603.20
Doug B. Larson	Paralegal	RE	N/A	\$284.00	0.70	\$198.80
Yasmin Jayasuriya	Paralegal	LIT	N/A	\$260.00	22.10	\$5,746.00
Jordan V. Mendoza	Paralegal	LIT	N/A	\$250.00	11.50	\$2,875.00
Angie H. Brandt	Paralegal	RE	N/A	\$248.00	3.80	\$942.40

² RE = Real Estate; LIT = Litigation; BCR = Bankruptcy and Creditors' Rights; CORP = Corporate

Name of Professional	Position	Primary Practice Group ²	Year Admitted	Reduced Hourly Rate for Debtors	Total Hours Billed	Total Compensation
Dianne M. Sweeny	Paralegal	RE	N/A	\$210.00	4.50	\$945.00
Viet Doan	Paralegal	LIT	N/A	\$175.00	96.40	\$16,780.00
Total Professionals:					1,869.20	1,025,814.52

PROFESSIONALS TOTALS	BLENDDED RATE	TOTAL HOURS BILLED	TOTAL COMPENSATION
Partners and Counsel	\$612.41	1,482.10	\$907,657.42
Associates	\$385.93	186.50	\$71,976.70
Blended Attorney Rate	\$587.10	1,668.60	\$979,634.12
Paraprofessionals and other non-legal staff	\$230.21	200.60	\$46,180.40
Total Fees Incurred	\$548.80	1,869.20	1,025,814.52

COMPENSATION BY WORK TASK CODE
JANUARY 29, 2019 THROUGH SEPTEMBER 30, 2019

The following Task Codes and Descriptions were used by Coblenz in conjunction with pre-petition time entries and invoices as required by Debtors prior to the filing of these Bankruptcy Cases. Coblenz has continued to use these Task Codes and Descriptions in conjunction with post-petition time entries and invoices in these Special Counsel matters.

Task Code	Description	Hours	Amount
C100	Fact Gathering	83.10	\$28,512.60
C400	Third Party Communication	0.70	\$350.00
L110	Fact Investigation/Development	70.00	\$28,000.00
L120	Analysis/Strategy	273.40	\$136,290.00
L130	Experts/Consultants	16.80	\$7,840.00
L143	eDiscovery - Identification and Preservation	0.50	\$250.00
L200	Pre-Trial Pleadings and Motions	10.90	\$5,260.00
L310	Written Discovery	13.40	\$5,660.00
L330	Depositions	49.00	\$19,752.50
L650	Review	38.80	\$10,077.50
L653	First Pass Document Review	8.80	\$3,520.00
L670	Production	98.70	\$19,391.00
P100	Project Administration	216.50	\$136,797.00
P240	Real and Personal Property	67.40	\$30,837.10
P280	Other	0.20	\$100.00
P300	Structure/Strategy/Analysis	580.00	\$372,208.82
P400	Initial Document Preparation/Filing	226.60	\$146,836.80
P500	Negotiation/Revision/Responses	98.10	\$63,568.80
P600	Completion/Closing	12.50	\$8,100.00
P700	Post-Completion/Post/Closing	2.20	\$1,425.60
P800	Maintenance and Renewal	1.60	\$1,036.80
Total:		1,869.20	\$1,025,814.52

In addition, in order to facilitate the Court's, the United States Trustee's, the Fee Examiner's, and parties' review of the fees for which Coblentz seeks approval and payment hereunder in the context of this Interim Fee Application, Coblentz provides the following

1 alternative Task (Matter Code) Table, which Table segregates the Special Counsel matters
 2 Coblenz has handled for the Debtors during the Interim Fee Period by the Coblenz Matter
 3 Name/Matter Number for such matters. *The following table reflects the same hours and same*
 4 *amounts as the preceding Task Code Table, but is organized in a different format that Coblenz*
 5 *believes is more consistent with the applicable Guidelines:*

6 **ALTERNATIVE TASK (MATTER) COMPENSATION TABLE**
FOR JANUARY 29, 2019 THROUGH SEPTEMBER 30, 2019

7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22
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	TASK (MATTER) CODE	DESCRIPTION	HOURS
	02898-110	General Real Estate	21.80
	02898-357	Land Stewardship	531.70
	02898-376	Hinkley CA Purchases	26.90
	02898-799	Contract Review - Real Estate / Shared Services	342.30
	16213-043	Salinas MGP / California Water Service Company Purchase	0.30
	16213-045	Richmond Substation S Land Sale	77.00
	16213-047	Lyons Land and Cattle, Merced	11.50
	16213-056	CPUC Regulatory Investigation	238.80
	16213-058	LCC Conservation Easement Compliance	7.90
	16213-060	DWR - Oroville Dam	343.20
	16213-084	Sale of Sheridan Property Area (Placer Co.)	0.10
	16213-089	General Advice and Counsel - Surplus Disposition	63.40
	16213-094	Purchase of Gabany Property (Sonoma County)	0.40
	16213-101	Bankruptcy Special Counsel-Related Services	175.60
	16213-106	Local Community Energy Fire Resiliency	28.30
	Total:		1,869.20
			\$1,025,814.52

1 EXPENSE SUMMARY
2 JANUARY 29, 2019 THROUGH SEPTEMBER 30, 2019

3 The expenses incurred by the Debtors and billed by Coblentz to the Debtors in connection
4 with the Special Counsel matters Coblentz has been handling during the Interim Fee Period are as
5 follows:

6 EXPENSES	7 AMOUNTS
8 Computerized Research	9 N/A
10 Meals	11 N/A
12 Travel	13 N/A
14 Transportation	15 \$121.18
16 Duplicating	17 633.37
18 Transcription (Deposition) Services	19 \$15,941.57
20 Third Party Consulting Fees	21 N/A
22 Telephone Conferencing	23 N/A
24 Messenger	25 \$436.70
26 Filing Fees	27 112.50
28 Litigation Support Vendors	29 N/A
30 Sacramento Superior Court Case Access System Retrieval Fee	31 7.00
32 Court Website Subscription Fee for Case No. JCCP4974	33 \$343.00
34 Total Expenses Requested:	35 \$17,595.12

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UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA

SAN FRANCISCO DIVISION

11 In re:	Bankruptcy Case No. 19-30088 (DM)
12 PG&E CORPORATION,	Chapter 11
13 -and-	(Lead Case) (Jointly Administered)
14 PACIFIC GAS & ELECTRIC COMPANY,	FIRST INTERIM FEE APPLICATION OF COBLENTZ PATCH DUFFY & BASS LLP FOR ALLOWANCE AND PAYMENT OF COMPENSATION AND REIMBURSEMENT OF EXPENSES (JANUARY 29, 2019 THROUGH SEPTEMBER 30, 2019)
15 Debtors.	
16 <input type="checkbox"/> Affects PG&E Corporation	Date: TBD
17 <input type="checkbox"/> Affects Pacific Gas and Electric Company	Time: 10:00 a.m. (Pacific Time)
17 <input checked="" type="checkbox"/> Affects both Debtors	Place: United States Bankruptcy Court Courtroom 17, 16th Floor San Francisco, CA 94102
18 <i>* All papers shall be filed in Lead Case No. 19-30088 (DM).</i>	Judge: Hon. Dennis Montali
20	Objection Deadline: December 4, 2019 at 21 4:00 p.m. (Pacific Time)
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1 Coblenz Patch Duffy & Bass LLP (“**Coblenz**” or the “**Firm**”), Special Counsel to PG&E
2 Corporation and Pacific Gas and Electric Company (the “**Debtors**”) in the above-captioned
3 chapter 11 cases (the “**Chapter 11 Cases**”), hereby submits its First Interim Fee Application (the
4 “**Interim Application**”) for allowance and payment of compensation for professional services
5 rendered and for reimbursement of actual and necessary expenses incurred for the period
6 commencing January 29, 2019, through September 30, 2019 (the “**Interim Fee Period**”), pursuant
7 to the *Order Pursuant to 11 U.S.C. §§ 331 and 105(a) and Fed. R. Bankr. P. 2016 for Authority to*
8 *Establish Procedures for Interim Compensation and Reimbursement of Expenses of Professionals*,
9 entered on February 27, 2019 [Docket No. 701] (the “**Interim Compensation Procedures**
10 **Order**”), sections 330 and 331 of title 11 of the United States Code (the “**Bankruptcy Code**”),
11 Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), the
12 *Guidelines for Compensation and Expense Reimbursement of Professionals and Trustees* (the
13 “**Northern District Guidelines**”), the *United States Trustee Guidelines for Reviewing*
14 *Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330* (the
15 “**UST Guidelines**”), and the Local Bankruptcy Rules for the Northern District of California.

16 The Interim Application is based upon the points and authorities cited herein, the
17 Certification of Gregg M. Ficks filed concurrently herewith, the exhibits attached hereto and/or
18 thereto, the pleadings, papers, and records on file in this case, and any evidence or argument that
19 the Court may entertain at the time of the hearing on the Interim Application.

20 CASE BACKGROUND AND STATUS

21 A. The Debtors’ Bankruptcy Proceedings

22 The Debtors filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code
23 on January 29, 2019 (the “**Petition Date**”). The Debtors continue to operate their businesses and
24 manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the
25 Bankruptcy Code. No trustee or examiner has been appointed.

26 On February 12, 2019, the Office of the United States Trustee for the Northern District of
27 California (the “**U.S. Trustee**”) appointed an Official Committee of Unsecured Creditors in the
28 Debtors’ cases (the “**Creditors’ Committee**”). On February 15, 2019, the U.S. Trustee appointed

1 an Official Committee of Tort Claimants (the “TCC”). On May 29, 2019, upon the request of the
2 U.S. Trustee, the Court appointed Professor Bruce A. Markell as the fee examiner in these Chapter
3 11 Cases (the “Fee Examiner”).

4 Based on information and belief, a description of the Debtors’ business, capital structure,
5 and the circumstances leading to the filing of these Chapter 11 Cases is set forth in the *Amended*
6 *Declaration of Jason P. Wells in Support of First Day Motions and Related Relief* [Docket No.
7 263].

8 **B. The Debtors’ Retention of Coblentz**

9 On July 11, 2019, the Court entered the *Order Authorizing Debtors Pursuant to 11 U.S.C.*
10 *§ 327(a) and Fed. R. Bankr. P. 2014(a) and 2016 to Retain and Employ Coblentz Patch Duffy &*
11 *Bass LLP Nunc Pro Tunc to the Petition Date* [Docket No. 2926] (the “Retention Order”). A
12 copy of the Retention Order is attached hereto as Exhibit A.

13 The Retention Order authorizes the Debtors to compensate and reimburse the Firm
14 pursuant to the Bankruptcy Code, the Bankruptcy Rules, the Northern District Guidelines, and the
15 Interim Compensation Order. Subject to the Firm’s application to the Court, the Debtors also are
16 authorized by the Retention Order to compensate Coblentz for services performed at hourly rates
17 that Coblentz has discounted for the Debtors as described in the application seeking the Firm’s
18 employment [Docket No. 2595], and to reimburse Coblentz for actual and necessary expenses
19 incurred.

20 The Retention Order authorizes Coblentz to provide the following services to the Debtors:

- 21 • advise and represent PG&E in real estate purchase and sale transactions and matters,
22 lease transactions and matters, and related or similar work, as further described in the
23 Debtor’s Application to retain Coblentz as Special Counsel (the “Retention
24 Application”) and the Declarations of Gregg M. Ficks filed in support thereof (the
25 “Ficks Declarations”);
- 26 • advise and represent PG&E in land conservation commitment transactions and matters,
27 and related or similar work, as further described in the Retention Application and the
28 Ficks Declarations;

- 1 • advise and represent PG&E in litigation, investigatory, and regulatory matters,
2 including in the DWR Matter, and related or similar work, as further described in the
3 Retention Application and the Ficks Declarations;
- 4 • advise and represent PG&E in the Ex Parte OII Matter, and related or similar work, as
5 further described in the Retention Application and the Ficks Declarations; and
- 6 • perform any other necessary legal services requested by the Debtors, and accepted by
7 Coblentz, during the pendency of these Chapter 11 cases.

8 **C. Professional Compensation and Reimbursement of Expenses Requested**

9 By this Interim Application, the Firm seeks interim allowance of compensation in the
10 amount of \$1,025,814.52, and allowance of actual and necessary expenses in the amount of
11 \$17,595.12, for a total allowance of \$1,043,409.64.

12 By this Interim Application, Coblentz further seeks Court approval and authority for
13 Debtors to make payment of the \$205,162.90 hold-back accrued during the Interim Fee Period
14 (*i.e.*, Coblentz requests approval and payment of the 20 percent of the requested fees that the
15 Debtors held-back from payment to Coblentz during the Interim Fee Period in accordance with the
16 Interim Compensation Procedures Order).

17 All services for which Coblentz requests compensation were performed for or on behalf of
18 the Debtors. Coblentz has received no payment and no promises for payment from any source
19 other than the Debtors for services rendered or to be rendered in any capacity whatsoever in
20 connection with the matters covered by this Interim Application.

21 There is no agreement or understanding between Coblentz and any other person other than
22 the partners of Coblentz for the sharing of compensation to be received for services rendered by
23 Coblentz in these cases. As of the Petition Date, the Firm had no retainer from, or balance owing
24 to, the Debtors. In connection with the Special Counsel matters for which Coblentz has been
25 retained in these Chapter 11 Cases, as of this date Coblentz has been paid \$730,068.85 in post-
26 petition fees and reimbursed \$12,329.12 in post-petition expenses, and Coblentz anticipates
27 receiving payment of \$90,582.77 in post-petition fees and \$5,266.00 in post-petition expenses on
28 account of its Eighth Monthly Fee Statement (for September 2019 Invoices) [Dkt. No. 4528] on,

1 or prior to, the hearing on this Application. The immediately preceding amounts, consisting of a
2 total of \$820,651.62 in fees and \$17,595.12 in costs (\$838,246.74 combined), have been paid, or
3 will be paid prior to the hearing on this Interim Fee Application, pursuant to the Interim
4 Compensation Procedures Order, but have not yet allowed, and Coblentz requests allowance
5 hereby.

6 The Firm has billed the Debtors in these Chapter 11 Cases in accordance with its existing
7 billing rates, as discounted for the Debtors as described in the Retention Application and/or Ficks
8 Declarations, and in accordance with procedures in effect during the Interim Fee Period. These
9 rates are the same rates Coblentz charges for services rendered by its attorneys and
10 paraprofessionals in comparable matters, less the discounts provided, and are reasonable given the
11 compensation charged by comparably skilled practitioners in similar matters. The Summary Sheet
12 filed herewith contains tables listing the Coblentz attorneys and paraprofessionals who have
13 performed services for the Debtors during the Interim Fee Period, including their job titles, hourly
14 rates, aggregate number of hours worked in this matter, and, for attorneys, the year in which each
15 professional was licensed to practice law. The Summary Sheet also contains tables summarizing
16 the hours worked by the Firm's attorneys and paraprofessionals broken down by project billing
17 code, and further broken down for each matter for which the Firm is providing services to for the
18 Debtors. Coblentz maintains computerized time records, which have been filed on the docket in
19 invoice format with the Firm's monthly fee statements and furnished to the Debtors, counsel for
20 the Creditors' Committee and the TCC, the U.S. Trustee, and the Fee Examiner in the format
21 requested by the Interim Compensation Procedures Order, and/or in the format requested by those
22 parties.

23 **D. Voluntary Discounts and Write-Offs Coblentz Previously Provided to the
24 Debtors Related to Fees and Costs Incurred During the Interim Fee Period**

25 The fees and costs for which Coblentz requests approval and payment under this Interim
26 Fee Application are net of \$247,024.41 in voluntary fee and cost reductions Coblentz already has
27 provided to the Debtors in connection with the Interim Fee Period: (1) as pre-invoicing write-offs
28 Coblentz provided to the Debtors prior to issuing the invoices; (2) as agreed hourly rate discounts

1 Coblenz provided to the Debtors, as approved under the Retention Order; and/or (3) in order to
2 avoid billing for fees or costs that may have been inconsistent with applicable Orders, Guidelines,
3 or the Protocol in these Bankruptcy Cases. This \$247,024.11 reduction consists of the following:

- Coblentz's previously agreed reduced rates in these Special Counsel matters resulted in a reduction of \$204,204.98 in legal fees from Coblentz's standard hourly rates for the services performed for the Debtors during the Interim Fee Period;
- Coblentz reduced its professional hours spent in these Special Counsel matters during the Interim Fee Period by 82 hours prior to issuing applicable invoices, resulting in a voluntary reduction of \$28,858.50 in legal fees;
- Coblentz wrote-off \$10,745.55 in costs incurred during the Interim Fee Period prior to issuing applicable invoices; and
- Coblentz provided a previously agreed volume discount of \$3,215.38 to the Debtors for land conservation work performed during the Interim Fee Period.

E. Budget and Budget-to-Actual Performance

Debtors provide annual budgets to Coblentz for some (but not all) of the matters Coblentz handles for them. These budgets are subject to periodic review and adjustments by the Debtors during the course of each year. To the extent the Debtors have provided current budgets to Coblentz for the matters Coblentz is handling for it, Coblentz has not exceeded those budgets during the Interim Fee Period.

JURISDICTION

22 This Court has jurisdiction to consider this matter pursuant to 28 U.S.C. sections 157 and
23 1334. This is a core proceeding pursuant to 28 U.S.C. section 157(b). Venue is proper before this
24 Court pursuant to 28 U.S.C. sections 1408 and 1409.

PROJECT BILLING AND NARRATIVE STATEMENT OF SERVICES RENDERED

26 During the Interim Fee Period, Coblenz professionals expended 1869.20 hours on behalf
27 of the Debtors. Of this, 1482.10 hours were expended by partners and of counsel, 1863.50 by
28 associates, and 200.60 by paraprofessionals. Under this engagement, Coblenz's attorneys who

1 billed during the time period covered by this Application billed at discounted hourly rates ranging
2 from \$334.00 to \$648.00, for a blended attorney rate of \$587.10 during the Interim Fee Period.

3 In accordance with the Interim Compensation Procedures Order, the Northern District
4 Guidelines, and the Local Rules, the Firm has classified the services it has performed for the
5 Debtors during the Interim Fee Period into the following fourteen (14) categories, which
6 categories reflect the Coblentz Matter Names/Matter Numbers under which Coblentz has invoiced
7 the Debtors during the Interim Fee Period. Detailed time entries for the following categories
8 previously have been filed with the Court and served in accordance with the Interim
9 Compensation Procedures Order under Coblentz's First through Eighth Monthly Fee Statements
10 [Dkt. Nos. 3679, 3741, 3742, 3763, 3765, 3771, 4038, and 4528] following entry of the Retention
11 Order. Coblentz hereby incorporates those time entries into this Interim Fee Application, and
12 refers any interested party to them.

13 | I. Real Estate/Land/Conservation Easement/Eminent Domain

14 A. Contract Review – Real Estate/Shared Services (Coblenz Matter No. 02898-799)

16 This matter includes time spent on real property transactions, primarily drafting and
17 negotiating lease documents. During this time period, Coblenz worked on 11 leases for customer
18 service, warehouse and yard, office, and hangar spaces, 16 lease amendments for existing PG&E
19 facilities, and numerous notices to landlords exercising options to extend or hold over. This
20 matter also includes time spent in interpreting leases, representing PG&E in any disputes with
21 landlords, and communicating with PG&E representatives and opposing counsel.

22 Total Hours: 342.30 Total Fees: \$207,835.40

23 B. General Advice and Counsel – Surplus Disposition (Coblenz Matter No. 16213-089)

25 This matter includes time working with PG&E representatives to develop four Purchase
26 and Sale Agreement templates for the sale of PG&E surplus properties. The four templates will be
27 used in circumstances in which (1) the subject property has no or minor environmental issues and
28 no CPUC approval is required, (2) the subject property has no or minor environmental issues and

1 CPUC approval is required, (3) the subject property has environmental issues and no CPUC
2 approval is required, and (4) the subject property has environmental issues and CPUC approval is
3 required. The Purchase Agreements contain alternate provisions and numerous notes to the drafter
4 that are intended to facilitate preparation of initial drafts of Purchase Agreements by non-
5 attorneys. This matter also includes time to develop a form letter of intent for such sales.

6 Total Hours: 63.40 Total Fees: \$41,083.20

7 **C. Richmond Substation S Land Parcel (Coblenz Matter No. 16213-045)**

8 This matter reflects time devoted to PG&E's acquisition of a parcel of land adjoining
9 property currently owned by PG&E in Richmond, California. The matter includes preparing and
10 monitoring a checklist of critical dates and closing documents and coordinating due diligence
11 review with PG&E representatives. This matter required extensive title review, including analysis
12 of not only title of the subject property, but also title of private roads and an adjoining parcel
13 owned by the City of Richmond. This matter also involved preparing a title objection letter,
14 drafting a notice waiving contingencies, and extensive communications with the title company.

15 Total Hours: 77.00 Total Fees: \$33,875.40

16 **D. Hinkley, CA Purchases (Coblenz Matter No. 02898-376)**

17 This matter reflects time assisting PG&E in acquiring properties in Hinkley, California.
18 During this time period, Coblenz worked on transactions with 8 different property owners. Tasks
19 include drafting and approving Purchase Agreements as to form, reviewing title, preparing escrow
20 instructions, and coordinating closings. This matter also includes time tracking the status of
21 transactions, participating in bi-monthly conference calls to review pending transactions, and
22 communicating with PG&E representatives and the title company.

23 Total Hours: 26.90 Total Fees: \$10,227.80

24 **E. Local Community Energy Fire Resiliency (Coblenz Matter No. 16213-106)**

25 This matter reflects time working with PG&E representatives to develop a form License
26 Agreement and a form Amendment to existing License Agreements to provide for customer
27 resource centers during Public Safety Power Shutoff Events. This matter also includes advising
28 PG&E in negotiating and interpreting license agreements for particular locations.

1 Total Hours: 28.30 Total Fees: \$18,338.40

F. Lyons Land and Cattle, Merced (Coblentz Matter No. 16213-047)

3 This matter reflects attention to post-closing agreements following PG&E's acquisition of
4 property for construction of a service center in Merced. The time includes negotiations with the
5 Merced Irrigation District regarding a Deferred Fee Subdivision Drainage Agreement, analysis of
6 the status of the Pipeline Construction Agreement with the adjoining property owner, and
7 communications with PG&E representatives.

8 Total Hours: 11.50 Total Fees: \$7,362.40

G. General Real Estate (Coblentz Matter No. 02898-110)

10 This matter reflects time in tracking the status of various real estate transactions and
11 updating a monthly status report delivered to PG&E's in-house counsel.

12 Total Hours: 21.80 Total Fees: \$13,986.60

H. Purchase of Gabany Property (Coblenz Matter No. 16213-094)

14 This matter reflects paralegal time to review the final title policy for conformance with the
15 pro forma policy in connection with a PG&E acquisition of real property.

16 Total Hours: 0.40 Total Fees: \$113.60

I. Salinas MGP/California Water Service Company Purchase (Coblenz Matter No. 16213-043)

19 This matter reflects the time of a paralegal to review the title policy for conformance with
20 the pro forma policy following PG&E's acquisition of property in Salinas from the California
21 Water Service Company.

22 Total Hours: 0.30 Total Fees: \$90.60

J. Sale of Sheridan Property (Placer County) (Coblentz Matter No. 16213-084)

24 This matter reflects communications with the title company to wind up an escrow
25 following the buyer's termination of an agreement to purchase PG&E property.

26 Total Hours: 0.10 Total Fees: \$36.90

K. Land Stewardship (Coblentz Matter No. 02898-357)

28 This matter involves the implementation of PG&E's "Land Conservation Commitment"

1 pursuant to its 2003 bankruptcy settlement. The settlement requires PG&E to ensure that
2 approximately 140,000 acres of PG&E's watershed lands are protected through conservation
3 easements or similar instruments together, in some cases, with fee title transfers. The Land
4 Conservation Commitment involves roughly 100 transactions. Coblenz provided services for
5 approximately 36 transactions of these transactions during the Interim Fee Period.

6 Coblenz serves as primary transactional counsel for this matter. Coblenz's work involves
7 a broad range of tasks. Coblenz has primary responsibility for drafting, reviewing, and
8 negotiating documents such as deeds, access easements, conservation easements, donation letters,
9 environmental indemnity agreements, powers of termination, baseline documentation reports,
10 Transaction Agreements (the equivalent of a purchase and sale agreement in a sale context),
11 subdivision documentation, title reports, property descriptions, and escrow instructions.
12 Coblenz's work also involves assistance with various real estate issues associated with the
13 involved properties, including issues relating to title report items (e.g., access issues, title
14 encumbrances, subdivision issues, third party rights), leases, licenses, and permits. Once
15 documents have been drafted and negotiated, Coblenz assists with PG&E's internal approval
16 process, providing final documents, legal approval of such documents as to form, and providing
17 transaction summaries for review by PG&E personnel approving PG&E's execution of such
18 documentation. After regulatory approval, Coblenz is responsible for preparing and/or reviewing
19 the final conveyance documents and coordinating the closings. Coblenz participates in regular
20 teleconferences and meetings with PG&E representatives to review the portfolio of pending
21 transactions, discussing the status of transactions, identifying issues to be pursued, and updating a
22 schedule for completion of deliverables by the PG&E and other participants in the transactions.

23 Total Hours: 531.70 Total Fees: \$341,337.88

L. LCC Conservation Easement Compliance (Coblentz Matter No. 16213-060)

25 Ownership of certain of the properties covered by PG&E's Land Conservation
26 Commitment are retained by PG&E, and such properties are encumbered by conservation
27 easements entered into by PG&E with the holders of such easements (e.g., non-profit conservation
28 organizations). The conservation easements require PG&E to perform certain obligations (e.g.,

1 annual reporting and consultation with the easement holders), and restrict certain activities on the
2 properties. Coblenz is the primary outside counsel assisting PG&E in its performance of these
3 duties. This work includes assistance with PG&E's annual reporting and consultation
4 requirements, including review of annual reports and advice on how PG&E's duties should be
5 satisfied. Coblenz also provides assistance with the interpretation of conservation easement
6 provisions and the development of policies relating to the performance of duties under such
7 conservation easements.

8 Total Hours: 7.90 Total Fees: \$4,711.54

9 | II. Litigation, Including CPUC, Regulatory, and Investigative

A. CPUC Regulatory Investigation (Coblentz Matter No. 16213-056)

11 Coblenz's work on the matter has included review and analysis of thousands of records
12 from the files of the utility concerning potential interactions with the CPUC to determine
13 relevance and potential discoverability in the OII, as well as managing production of relevant
14 materials and negotiating the scope of discovery with CPUC staff and other interested parties
15 participating in the OII. Coblenz negotiated with CPUC staff and interested parties concerning a
16 case management schedule, and the appropriate manner of creating a record of the case upon
17 which the CPUC may base a decision, culminating in a joint case management submission and a
18 pretrial conference before the assigned Administrative Law Judge at the CPUC.

19 Following the completion of discovery, Coblenz negotiated with CPUC staff and
20 interested parties concerning the contents of an appropriate factual record for the CPUC's
21 consideration. This involved the review and analysis of dozens of materials potentially to be
22 included in the record (as well as the implications of including those materials), the drafting and
23 revising of written factual stipulations, narrative summaries concerning certain issues in the case,
24 and the creation of a joint evidentiary record to be submitted to the CPUC.

25 Coblenz then negotiated a settlement of this matter with CPUC staff and the interested
26 parties, as well as a joint motion in support of the settlement to be submitted to the CPUC.
27 Coblenz has taken substantial drafting responsibility for each of the joint written materials
28 described above. The work has also involved strategic discussions with the client concerning

1 discovery issues and settlement.

2 Coblenz also handled various ancillary e-discovery projects, such as searching for and
3 managing electronic materials relevant to discovery, and analyzing preservation issues.

4 Total Hours: 238.80 Total Fees: \$113,453.00

5 **B. PG&E v. DWR / Oroville Dam Crisis Litigation (Coblenz Matter**
No. 16213-060)

7 In this litigation matter, Coblenz has traveled to Sacramento for, and participation in, case
8 management conferences, and telephonically participated in various case management and
9 discovery conferences involving the coordinated plaintiffs and DWR. Coblenz also has reviewed,
10 analyzed, and revised various joint discovery and case management materials common to the
11 coordinated plaintiffs. Coblenz also has monitored and analyzed various pleadings submitted by
12 the coordinated plaintiffs and DWR for relevance to PG&E's claims in the matter.

13 Coblenz's work on this matter also has included telephonically attending numerous
14 depositions of DWR personnel and analyzing the strategic implications of information developed
15 through these depositions. Coblenz has also devised search strategies for identifying and
16 analyzing the most relevant materials among more than 900,000 documents produced by DWR in
17 discovery in the coordinated proceedings, as well as materials used in various depositions in the
18 matter, and analyzing those materials. Coblenz also has analyzed and summarized the utility's
19 damages claims in accordance with a case management order in the matter. Coblenz also has
20 begun the process of reviewing and analyze potentially responsive materials from the files of the
21 utility in response to discovery requests from DWR. Coblenz also has prepared and propounded
22 discovery requests to DWR.

23 Coblenz's work on the matter also has involved strategic conferences with the client and
24 analysis of e-discovery issues relevant to discovery from both DWR and the utility. Coblenz also
25 has assessed potential expert candidates.

26 Total Hours: 343.20 Total Fees: \$123,368.00

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1 **III. Bankruptcy Special Counsel-Related Services (Coblentz Matter No. 16213-101)**

2 Total Hours: 175.60 Total Fees: \$109,993.80

3 The following sub-category calculations were made by best effort *manual* sub-
4 categorization and sub-calculation. They are good faith calculations.

5 **A. Coblentz First Through Seventh Monthly Fee Statements**

6 This sub-category relates to work preparing Coblentz's First though Seventh Monthly Fee
7 Statement, including communications with the Fee Examiner's office, United States Trustee, and
8 related communications.

9 Total Hours: 50.10 Total Fees: \$31,212.30

10 **B. Coblentz First Interim Fee Application**

11 During the Interim Fee Period, the Firm began preparation of its First Interim Fee
12 Application. Most of the work related to this First Interim Fee Application has been performed
13 after the Interim Fee Period, however, and will be included in Coblentz's Second Interim Fee
14 Application.

15 Total Hours: 4.9 Total Fees: \$3,052.70

16 **C. Coblentz Retention and Disclosures**

17 Coblentz attorneys prepared the Debtors' application for retention of Coblentz as Special
18 Counsel, and related Court filings. Coblentz also reviewed materials for disclosures regarding its
19 retention, investigated actual or potential disclosures, reported applicable disclosures, and updated
20 the disclosures. Coblentz filed a supplemental Declaration in support of the Retention
21 Application, and attended a hearing thereon.

22 Total Hours: 116.20 Total Fees: \$74,233.60

23 **D. Fee Examiner Motion for Approval of Fee Protocols**

24 During the Interim Fee Period, the Firm reviewed and analyzed the Fee Examiner's
25 Motion for Approval of Fee Protocols, participated in a joint opposition re same, and
26 communicated with other Debtors' counsel re same.

27 Total Hours: 2.4 Total Fees: \$1,495.20

EXPENSE SUMMARY
JANUARY 29, 2019 THROUGH SEPTEMBER 30, 2019

During the Interim Fee Period, the Firm advanced costs on behalf of the Debtors in connection with the discharge of the duties described in the Interim Application. During the Interim Fee Period, Coblenz incurred a total of \$17,595.12 in expenses. These expenses are further specified on the last page of the Summary Sheet filed herewith, and are reasonable and necessary to the Special Counsel services Coblenz has provided. Receipts for all significant expenses have been provided to the Debtors and to the Fee Examiner.

LEGAL BASIS FOR INTERIM COMPENSATION

10 The professional services for which Coblentz requests interim allowance of compensation
11 and reimbursement of expenses were rendered and incurred in connection with the Special
12 Counsel matters for which Coblentz has been employed, and in the discharge of Coblentz's
13 professional responsibilities as Special Counsel for the Debtors during these Chapter 11 Cases.
14 Coblentz's services have been necessary and beneficial to the Debtors and their estates, creditors,
15 and other parties in interest.

16 In accordance with the factors enumerated in section 330 of the Bankruptcy Code,
17 Coblenz respectfully submits that the amount requested by Coblenz is fair and reasonable given
18 the complexity of these Special Counsel matters, the time expended, the nature and extent of the
19 services rendered, the value of such services, and the costs of comparable services other than in
20 connection with a case under the Bankruptcy Code. Moreover, Coblenz has reviewed the
21 requirements of the Interim Compensation Procedures Order, the Northern District Guidelines,
22 and the UST Guidelines, and believes that the Interim Application substantially complies with
23 those documents, except as follows:

24 A. The project categories described in the Interim Application sometimes include fees
25 beyond the generally applicable \$20,000 project billing threshold (Court Guideline For
26 Compensation I.3.) due to the impracticality of further breaking-out the categories, the cost/benefit
27 balance of further dissecting these categories especially in light of the narrow margin above the
28 ordinary course professional threshold that has caused Coblenz to undertake participation in

1 Special Counsel procedures and requirements, as opposed to being considered an ordinary course
2 professional in these cases, and Coblenz's relatively small role in these Bankruptcy Cases, relative
3 to larger firms handling larger parts of the cases;

4 B. Time entries in this Interim Fee Application include some time (approximately 5.2
5 hours resulting in \$3,239.60 in fees) for revising and reducing proposed invoices prior to issuance
6 of the invoices in order to try to conform the fees and costs therein to the applicable Guidelines
7 and requirements. Coblenz requests that these fees be allowed for the same reasons as set forth in
8 Item A, above; and

9 C. Time entries during the Interim Fee Period include time related to the extensive
10 conflicts check and review required in these large Bankruptcy Cases. Coblenz requests that the
11 Court approves the fees for these time entries for the same reasons set forth in Item A, above.

12 To the extent the fees or costs for which Coblenz seeks approval herein are inconsistent
13 with the Revised Fee Examiner Protocol (the “**Protocol**”) [Dkt. No. 4473-1], Coblenz, for the
14 reasons set forth above, objects to the Protocol pursuant to the procedure established in the Notice
15 of Filing of the Protocol [Dkt. No. 4473] at pg. 2-3.

AVAILABLE FUNDS

17 The Firm understands that the Debtors’ estates have sufficient funds available to pay the
18 fees and costs sought herein.

NOTICE

20 Notice of the Interim Application has been provided to parties-in-interest in accordance
21 with the procedures set forth in the Interim Compensation Order. Coblenz submits that, in view
22 of the facts and circumstances of these Chapter 11 Cases, such notice is sufficient and no other or
23 further notice need be provided.

CONCLUSION

25 Coblenz respectfully requests allowance of compensation to Coblenz in the amount of
26 \$1,025,814.52, and allowance of actual and necessary expenses in the amount of \$17,595.12, for a
27 total allowance of \$1,043,409.64. Coblenz further respectfully requests authorization for the
28 Debtors to pay the previously held-back amount \$205,162.90 (20% of the allowed fees), and for

such other and further relief as this Court deems proper.

COBLENTZ PATCH DUFFY & BASS LLP

By: */s/ Gregg M. Ficks*

Gregg M. Ficks
Special Counsel to Debtors
and Debtors in Possession

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